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WELD, CELLUCCI FILE WAMPANOAG COMPACT

Governor William Weld and Lieutenant Governor Paul Cellucci today announced the filing of legislation to establish an Indian gaming facility in New Bedford, creating thousands of needed jobs in Bristol County.

"If I were going to list the top ten reasons why Southeastern Massachusetts deserves a casino, I'd have to say, 'Jobs, jobs, and more jobs'," said Weld. "If all goes as expected, nearly 3,000 people will build the New Bedford casino, and 5,400 more will be hired to run it."

"Southeastern Massachusetts will feel good vibrations from the economic boom that will reverberate throughout the region," said Cellucci. "The families of these communities will be reaping the benefits for years to come."

The Weld-Cellucci legislative package, filed in three separate bills, establishes the terms of a Tribal-State Compact reached between the Wampanoag Tribe of Gay Head (Aquinnah) and the

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Commonwealth. Other major features of the proposal are the establishment of a strict regulatory structure and the authorization of one Hampden County casino and slot machines at the state's four race tracks to preserve jobs in the racing industry.

"This is an historic day for New Bedford," said New Bedford Mayor Rosemary S. Tierney. "This signing of the compact represents a milestone towards the creation of thousands of new jobs for New Bedford and the state. I commend Governor Weld for his commitment to the people of New Bedford and Southeastern Massachusetts."

"This is a very significant day in the long and proud history of the Wampanoag Tribe," said Beverly M. Wright, chairperson of the Wampanoag Tribe of Gay Head (Aquinnah). "What we have done here today is the first step in a long journey. We open ourselves to both the state and federal process and will cooperate fully to make the Wampanoag Entertainment Complex a reality in Massachusetts."

"I applaud the Governor for signing the compact," said Congressman Barney Frank. "I am particularly pleased that he is announcing the agreement in New Bedford, because this is a renewed demonstration of his commitment to the people of Bristol County, who will be the prime beneficiaries of the project."

Under the terms of the Compact, which was negotiated under the federal Indian Gaming Regulatory Act and filed with the Bureau of Indian Affairs, the Wampanoag tribe will pay $90 million to the state annually. If the net gaming revenue is less than $375

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million, the tribe will pay less 33 1/3% of the amount. If the amount exceeds $375 million, the tribe will pay an additional 33 1/3%. Twelve percent of the casino's annual net revenue will be distributed to Bristol County cities and towns, plus 2% going toward compulsive gambling programs, and an additional $400,000 distributed to the Town of Dartmouth because of disparate impacts felt by that community.

"Civic leaders, business leaders, and elected officials all stand in solidarity behind this great project," said Bradley Castello, president of the Southeastern Massachusetts Building Trades Council. "But more important, is the tremendous grass roots support from just about everyone who lives in Southeastern Massachusetts."

"New Bedford is in need of a comprehensive job creation effort. The casino will create thousands of direct jobs and, more importantly, be the catalyst to expedite other key projects that I have been working on with Governor Weld such as the expansion of the airport and extension of the commuter rail," said state Senator Mark Montigny. "Together, we will fight for passage of this Compact which recognizes the positive aspects of job creation and revenue enhancement as well as mitigating any impacts resulting from this large scale development."

The Weld-Cellucci regulatory proposal, similar to a plan first proposed by the Attorney General, creates a five member

Massachusetts Gaming Control Commission, with members appointed by the Governor, the Attorney General and the state Treasurer. The commission will have expansive powers to regulate gaming and will issue licenses and permits to persons and entities who own, manage, work at, or provide gaming supplies or training to gaming enterprises. The day-to-day monitoring and investigation of applicants would be the responsibility of a new State Gaming Control Bureau in the Attorney General's office.

Elements of the administration's gaming package also include:

- Authorizing a casino in Hampden County if approved by a referendum vote of the citizens of the host community in 1995;
- Legislative authorization of up to 700 slot machines at each of the four race tracks now licensed in Massachusetts and establishing a takeout structure for revenue payments to the state;
- Establishing limited exclusivity for the Indian gaming facility for a period of six years;
- Allowing the Wampanoag Tribe to open a temporary facility at a site approved by the City of New Bedford and the Governor;
- Establishes a hiring preference for Bristol County residents.

"It's only fair that this Compact protects the nearly 10,000 jobs at the race tracks," said Weld. "The slots at the state's four horse and dog tracks will keep the racing industry strong in the competitive gaming market."

The New Bedford casino is expected to create nearly 8,500 jobs; including 3,000 interim jobs to build the complex and 5,400 permanent jobs to operate it. According to the Wampanoag Tribe, the average salary of a New Bedford casino employee is estimated at $28,000 plus full health care benefits.

The Weld-Cellucci Administration entered into the Compact with the Wampanoag tribe by negotiating in good faith under the federal Indian Gaming Regulatory Act (IGRA), which sets forth the conditions under which a Tribal-State Compact is developed to regulate Indian gaming activity within states and resolve questions of overlapping or conflicting federal, state and tribal law regarding gaming activity on Indian land.

"We're pleased to have worked so closely with the Wampanoag Tribe and the New Bedford and Western Massachusetts delegations to develop a Compact loaded with job opportunities for the residents of this state," added Weld. "We're eager to work with those delegations to ensure that the Legislature gives this plan its stamp of approval."

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GAMING AND REGULATORY PROPOSALS SUMMARY

STRICT REGULATION - GAMING CONTROL ACT

* Creates the Massachusetts Gaming Control Commission to oversee gaming regulation in the Commonwealth. Commission has five members, two appointed by the Governor, two by the Attorney General, and one by the Treasurer.

* Establishes State Gaming Control Bureau, within the Department of the Attorney General, and staffed by Attorney General personnel and State Police, which will conduct background investigations and undertake the day-to-day monitoring of the gaming establishments.

* Establishes criminal penalties for any person who seeks to cheat a gaming enterprise or the enterprise's patrons, who makes false statements to the Commission or to the Bureau, or who operates gaming in any way not allowed under the Act.

* Requires gaming enterprises to contribute one half of one percent of their gross gaming revenue (amount bet less prizes paid) to combat and prevent compulsive behavior, and prohibits licensed persons and entities from contributing to any political campaign.

COMPACT BETWEEN WAMPANOAG TRIBE AND THE COMMONWEALTH

* Establishes the relationship between the Tribe and the Commonwealth as to the operation of a casino.

* Permanent Casino to be located at the site of the Municipal Golf Course or such other site, in the City of New Bedford as may be approved by the City of New Bedford and the Governor; Temporary Casino to be located at a site in New Bedford approved by the City and by the Governor.

* Compact outlines a detailed regulatory structure of State approvals and Tribal licensing which covers all employees at the facility, all entities which provide gaming services, and all management contracts. In addition, the Compact contains detailed standards of operation for the casino.

* Tribe plans to construct an entertainment facility and anticipates the construction of a hotel on the site.

* During six year period of "limited exclusivity," Tribe will pay the Commonwealth $90 million annually, less 33 1/3% of the amount by which the net gaming revenue is less than $375 million, or plus 33 1/3% of the amount by which gaming revenue exceed $375 million. Of the money due from the Tribe, 12% will go to the cities and towns in Bristol County, plus 2% toward compulsive gambling programs, and an additional $400,000 to Dartmouth because of the disparate impacts on that community.

* Compact defines limited exclusivity to allow charitable gaming, all games operated by the Lottery, 700 machines for each of the four race tracks, and a casino in Hampden County if approved by the voters in a Hampden County city or town.

* Compact to be submitted to the Secretary of the Interior for his approval.

PROTECTS LIVE RACING INDUSTRY JOBS/CHOICE TO HAMPDEN COUNTY

* Allows a Massachusetts Gaming Regulatory Commission to license the four parimutuel race tracks to operate up to 700 slot machines and to license a Hampden County casino.

* Tracks revenue estimated at $35 million under a formula of 25.5% of the net gaming revenues up to $50 million (per track) annually and 33 1/3% over $50 million (per track), with offsets to the Tribe if revenue more than $50 million per track and tribal casino revenue less than $350 million. Takeout (on revenue up to $50 million) goes to purses and breeders, with percentages varying by the type of racing. Payments to the State from the first $50 million in net gaming revenues at the track from slots will be at a rate of 25.5%, with a certain percentage, depending on the type of racing, dedicated to purses and breeders. The percentage to purses declines above $25 million in gross gaming revenue, and disappears if gross gaming revenue exceeds $50 million.

* Hampden County casino payments will be at a rate of 25.5%; 23% to the state and 2.5% to the cities and towns of Hampden County. Above $200 million in net gaming revenue, the rate will be 33.5%; 31% to the state and 2.5% to the cities and towns of Hampden County.

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